

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 2785 - Fireworks (LSB 5496 HZ)

Analyst: Jennifer Acton (Phone: [515] 281-7846) (jennifer.acton@legis.state.ia.us)

Fiscal Note Version - New

Description

House File 2785 establishes a one-year Fireworks Operators License to be issued by the State Fire Marshal's Office, which authorizes the holder to use or detonate fireworks as authorized by law. The Fire Marshal's Office will adopt rules governing the issuance of the license, the fee for the license, and provisions for the revocation or suspension of the license. The license fee will be retained by the State Fire Marshal's Office for administering the new provision. Violators are subject to a simple misdemeanor penalty.

Background

1. In FY 2005, there were 50 convictions for violations of Section 727.2, Code of Iowa, for fireworks possession or sale.
2. In FY 2005, there were five convictions for improper fireworks in State parks.
3. Under the Bill, the State Fire Marshal's Office is allowed to keep the revenue from licensing and permits to offset staff costs.

Assumptions

1. The law will become effective July 1, 2006. A lag effect of six months is assumed, from the law's effective date to the date of first entry of affected offenders into the correctional system (to allow for court case processing time).
2. The fireworks industry estimates approximately 1,000 citizens would pursue licensing in Iowa. The number of fireworks shows is unknown; however, the estimate is approximately 350 inspections per year.
3. The annual licensing fee will be established in Administrative Rules; however, the Department of Public Safety estimates the fee necessary to make the licensing portion of the Bill self-sustaining is an annual fee of \$60 per license.
4. The permit fee will be established in Administrative Rules; however, the Department estimates the fee necessary to make the inspection portion of the Bill self-sustaining is \$100 per show.
5. The Department estimates 1.5 FTE positions for an investigator (\$64,000) and a part-time clerical person (\$18,000) would be needed to perform these functions. Office expenses, travel, and equipment for the first year are estimated to be approximately \$36,000, of which \$25,000 are one-time expenses. The salary for the second year would be \$66,000 for the investigator and \$18,000 for the clerical person. Office expenses would be \$11,000.
6. Under the Bill, where a local jurisdiction conducts the inspection of a display show, they would be allowed to collect the permit fee. This is in addition to the 350 anticipated inspections the Department of Public Safety would perform.

Correctional Impact

By requiring a license, there may be a few additional violations; however, the impact will be minimal on the correctional system due to the simple misdemeanor penalty.

Fiscal Impact

Based on the fees established in Administrative Rules, the total revenue generated from fireworks licensing and permitting would be approximately \$95,000, which is intended to offset any operating costs incurred by the State Fire Marshal's Office. Due to a lag in hiring, the estimated revenue should be sufficient to fund the 1.5 FTE positions in both the first and second year.

Sources

Department of Human Rights, Criminal and Juvenile Justice Planning Division (CJJPD)
Department of Public Safety, State Fire Marshal's Office

/s/ Holly M. Lyons

April 3, 2006

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
